

**DEPARTMENT OF ALCOHOL AND DRUG PROGRAMS**

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TO: COUNTY ALCOHOL AND DRUG PROGRAM ADMINISTRATORS

SUBJECT: BUDGET ACT AMENDMENT FOR FISCAL YEAR 2006-07  
NEGOTIATED NET AMOUNT AND/OR DRUG MEDI-CAL CONTRACT

The purpose of this letter is to transmit budget information for completion of the Fiscal Year (FY) 2006-07 Negotiated Net Amount (NNA) and/or Drug Medi-Cal (DMC) first contract amendment (Version V.1). **The V.1 budget is due to ADP by Wednesday, October 11, 2006.**

The Department of Alcohol and Drug Program's (ADP) Web site contains the applicable documents for completion and submission of the counties' FY 2006-07 NNA/DMC first budget and contract amendment (Version V.1). The Web site address is [www.adp.ca.gov/NNA/nnamain.shtml](http://www.adp.ca.gov/NNA/nnamain.shtml). Enclosed are instructions for accessing the required forms and supplemental budget information.

The following information relates to FY 2006-07 and changes from FY 2005-06:

**The Federal and State Shares for DMC**

The overall average DMC funding split for FY 2006-07 is 50 percent State General Fund (SGF) and 50 percent Federal Financial Participation.

**DMC Administrative Cost**

DMC counties are required to report administrative costs associated with their oversight of DMC providers and services. This requires reporting those costs within each provider's DMC budget.

**DMC Rates**

The DMC Rates for FY 2006-07 are the same as for FY 2005-06.



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### **SAPT Block Grant FFY 2007 Award**

Counties need to estimate and budget any anticipated unexpended funds from the Substance Abuse Prevention and Treatment (SAPT) 2007 Award in support services under the Cost Efficiencies Service Code. As a recommendation, approximately seventy-five percent (75%) should be budgeted in FY 2006-07 and the remaining twenty-five percent (25%) should be budgeted in FY 2007-08 (identify in Cost Efficiencies).

SAPT Block Grant FFY 2006 award funds budgeted and obligated in Cost Efficiencies Service Code 08, in FY 2005-06 must be identified in the FY 2006-07 budget. These funds must be reflected in the appropriate funding lines, modalities, and service elements. These funds **must be expended by June 30, 2007**, and are not included in the Exhibit A1.

### **New Funding Lines for FY 2007-08**

Line 45-07, Female Offender Treatment Services Project – FFY 2007 Award  
Line 50-07, SAPT Discretionary - FFY 2007 Award  
Line 50a-07, SAPT Adolescent/Youth Treatment Program – FFY 2007 Award  
Line 50b-07, SAPT Friday Night Live – FFY 2007 Award  
Line 50c-07, SAPT Club Live – FFY 2007 Award  
Line 50d-07, SAPT Primary Prevention Set-Aside – FFY 2007 Award  
Line 51-07, HIV Set-Aside – FFY 2007 Award  
Line 52-07, SAPT Perinatal Set-Aside – FFY 2007 Award  
Line 56-07, SAPT Special Projects – FFY 2007 Award  
Line 59a-07, SATTA SAPT Drug Testing (SB223) - FFY 2007 Award  
Line 59b-07, SATTA SAPT Additional Discretionary (SB223) - FFY 2007 Award  
Line 90d-0506, Obligated Unexpended State General Funds - from FY 05-06  
Line 90e-0506, Obligated Unexpended Perinatal State General Funds - from FY 0506  
Line 90f-0506, Women and Children's Obligated Unexpended State General Funds - from FY 05-06

### **Deleted Funding Lines for FY 2006-07**

The FFY 2005 award funds expired June 30, 2006, and are no longer available for expenditure in FY 2006-07. These lines are: 45-05, 50-05, 50a-05, 50b-05, 50c-05, 50d-05, 51-05, 52-05, 56-05, 56-05s, 56c-05, 59a-05, and 59b-05.

For specific requirements, refer to the State FY 2006-07 Budget Act Allocation, 2.0 Bulletin 06-10, dated August 11, 2006, and the FY 2006-07 Documents package. The Combined Boilerplate will be issued when the contract documents are sent to the county for signature.

When submitting your amended FY 2006-07 proposed contract amendment diskette, please use a padded or cardboard mailer and send to the following address:

**Department of Alcohol and Drug Programs  
Fiscal Management and Accountability Branch  
1700 K Street, Fourth Floor  
Sacramento, CA 95814**

The NNA/DMC V.1 budget diskette is due to ADP on or before close of business Wednesday, **October 11, 2006.**

Thank you for your continued assistance and support as we begin the new phase of the FY 2006-07 NNA/DMC contract period. If you have any questions or cannot access the necessary documents, please contact your assigned fiscal analyst in the Fiscal Management and Accountability Branch.

Sincerely,

SUSAN L. KING, Manager  
Fiscal Management and Accountability Branch  
Program Services Division

Enclosure

**Instructions for Downloading Forms to Complete Fiscal Year 2006-07 NNA/DMC  
First Budget and Contract Amendment (Version V.1)**

After accessing ADP's Web site at [www.adp.ca.gov](http://www.adp.ca.gov), go to the left column and click on the heading "Alcohol/Drug Programs". Scroll down to the heading "Negotiated Net Amount (NNA)", click and then to "Support Files" and click. The documents and supplemental budget information contained in ADP's Web site are:

- 1) Service Code Descriptions
- 2) Program Code Listing
- 3) Funding Line Descriptions
- 4) Narcotic Treatment Programs (NTP) – Non-Perinatal AD 06-07 Worksheet and Instructions
- 5) NTP – Perinatal 06-07 Worksheet and Instructions
- 6) Quarterly Federal Financial Management Report and Instructions
- 7) County Worksheets and Instructions
- 8) Federal and State Funding Allocation and Budget and Cost Comparison Worksheet
- 9) Federal and State Funding Allocation and Budget and Cost Comparison Worksheet - SAMPLE
- 10) Contract Procedures and Timelines
- 11) County Contract Review Checklist
- 12) Fiscal Management and Accountability Branch County Assignment Listing

To assist the counties in identifying what funds can be budgeted in what service codes and program codes please refer to the "Fiscal Data Element Report 2006-07." You can download the report from the "Negotiated Net Amount (NNA)" page on ADP's Web site.

In order to submit your Fiscal Year 2006-07 NNA/DMC First Budget and Contract Amendment (Version V.1), you must first download the Paradox Budget application (FY 2006-07 Budget – Version V.1). **You may download your county budget data until October 31, 2006.**